JEFFREY E. BRUNTON #2833 Office of Consumer Protection 235 South Beretania Street, Room 801 Honolulu, Hawaii 96813-2419 Telephone: (808) 586-2636 STATE OF HAWAII FILED 2004 MAR 31 AM IO: 41 N. ANAYA CLERK

Attorney for Plaintiff

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by its Office of Consumer Protection,	}	CIVIL NO.04-1-0222-02 SSM (Other Civil Action)
Plaintiff, vs.))))	STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST DEFENDANT AMERICAN STATES COLLEGE INC.
AMERICAN STATES COLLEGE INC., Hawaii corporation and AMERICAN STATE UNIVERSITY, a Hawaii nonprofit corporation, Defendants.	a)))))))	Trial Date: None SCF: None

STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST DEFENDANT AMERICAN STATES COLLEGE INC.

Plaintiff and Defendant American States College Inc. (hereinafter "Defendant") hereby stipulate and agree to the entry of this Stipulated Permanent Injunction and Final Judgment Against Defendant American States College Inc. as follows:

JEFFREY E. BRUNTON #2833 Office of Consumer Protection 235 South Beretania Street, Room 801 Honolulu, Hawaii 96813-2419 Telephone: (808) 586-2636

Attorney for Plaintiff

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by its Office of)	CIVIL NO.04-1-0222-02 SSM
Consumer Protection,)	(Other Civil Action)
)	
Plaintiff,)	
)	STIPULATED PERMANENT
)	INJUNCTION AND FINAL JUDGMENT
vs.)	AGAINST DEFENDANT AMERICAN
)	STATES COLLEGE INC.
)	
AMERICAN STATES COLLEGE INC.,	a)	
Hawaii corporation and AMERICAN)	
STATE UNIVERSITY, a Hawaii)	
nonprofit corporation,)	Trial Date: None
)	SCF: None
Defendants.		
)	

STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST DEFENDANT AMERICAN STATES COLLEGE INC.

Plaintiff and Defendant American States College Inc. (hereinafter "Defendant") hereby stipulate and agree to the entry of this Stipulated Permanent Injunction and Final Judgment Against Defendant American States College Inc. as follows:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

- 1. This court has jurisdiction over this matter and the parties hereto pursuant to Hawaii Rev. Stat. Chapters 446E, 480, 487 and 603 and venue is proper herein.
- 2. Plaintiff's Complaint states claims against Defendant upon which relief may be granted under Hawaii Rev. Stat. Chapter 446E and Hawaii Rev. Stat. § 480-2(a).
- 3. Defendant, its officers, agents, servants, employees and those persons in active concert or participation with them who receive actual notice of this order by personal service or otherwise, are hereby restrained and enjoined from failing to comply with the requirements set forth herein.
- 4. Defendant shall be responsible for making the substantive terms and conditions of this judgment known to its officers, directors, successors, managers, employees and those persons associated with Defendant who are responsible for implementing the obligations set forth in this judgment.
- 5. Defendant shall not effect any change in its form of doing business or organizational identity for the purpose of avoiding the terms and conditions contained in this judgment.
- 6. Unless otherwise specified herein, this judgment shall take effect on filing with the court. The receipt or deposit by the Office of Consumer Protection of any monies pursuant to this judgment does not constitute acceptance

by the Office of Consumer Protection and any monies received will be returned if this judgment is not executed by the Office of Consumer Protection or the court.

- 7. Defendant shall immediately cease conducting any and all business activities in the state of Hawaii, including the operation of any unaccredited degree granting institution. Defendant furthers agree that they shall not claim to operate any unaccredited degree granting institution under the color or authority of the laws of the State of Hawaii. Prior to or upon entry of this judgment, Defendant shall immediately take whatever steps are necessary to voluntarily dissolve American States College Inc. as provided for in Hawaii Rev. Stat. Chapters 414 and 414D.
- 8. Defendant hereby agrees that they shall, in addition to all other payments required by and in this stipulation, pay Plaintiff fifty per cent (50%) of any monies which they receive, or which they would be entitled to receive, from any third parties, based upon claims made arising out of the matters set forth in the complaint and any amendments thereto. This would include, but not be limited to, any monies received from any insurance carriers or professionals rendering legal advice. Any such payments shall be made promptly upon the receipt of said monies by Defendant.
- 9. Defendant shall promptly provide to the Office of Consumer Protection upon request proof of any action(s) required to be taken by the Defendant pursuant to the terms of this stipulated judgment.

- State of Hawaii, the Office of Consumer Protection, Department of Commerce and Consumer Affairs, or any of its employees or subdivisions be used by Defendant in connection with any selling, advertising or promotion of any product or service.

 The parties understand that this document shall not be construed as an approval or sanction by the State of Hawaii of Defendant's business practices. Nothing in this document shall be construed to permit or make lawful any act, practice, or course of conduct prohibited or made unlawful by Hawaii Rev. Stat. Chap. 446E, 480 or 481A or any other law.
- 11. This stipulated judgment shall apply to Defendant, its agents, employees, successors and assigns.
- 12. This court shall retain jurisdiction of this case for the purpose of enabling any of the parties to this stipulation to apply to this court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this stipulation, to modify or terminate any of their provisions, to enforce compliance, and to punish violations of its provisions. If it shall be made to appear to the court that there has been a violation of any of the terms of this stipulation, upon motion, this court may enter an order to show cause why Defendant should not be found in contempt. Nothing in this document shall bar Plaintiff from seeking, or the court from imposing, against Defendant or any other person any other relief available under any other applicable provision of law for violation of this document, in addition to or in lieu of the civil penalties provided for above.

13. All payments required under this stipulated judgment shall be made by cashier's checks.

16. Defendant agrees that the facts as alleged in the Complaint shall be taken as true in the event of subsequent litigation to collect amounts due pursuant to this stipulated final judgment, including but not limited to a nondischargeability complaint in any bankruptcy proceeding.

17. No claims remair DATED: Honolulu, Hav	
	Judge of the above-entitled Court
APPROVED AS TO FORM AND CON	ITENT AND AGREED:
JEFFREY E. BRUNTON Attorney for Plaintiff	
American States College Inc.	

Its: Vice-President

By: Roderick Gary

Defendant

Civil No. 04-1-0222-02 SSM; State of Hawaii vs. American States College Inc.; STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST DEFENDANT AMERICAN STATES COLLEGE INC.

- 13. All payments required under this stipulated judgment shall be made by cashier's checks.
- Defendant agrees that the facts as alleged in the Complaint shall be taken as true in the event of subsequent litigation to collect amounts due pursuant to this stipulated final judgment, including but not limited to a nondischargeability complaint in any bankruptcy proceeding.
 - 17. No claims remain against any party.

DATED.	Honolulu, Hawaii.	MAR	2	9	2004
DAILD.	nonoiuiu, nawan.				

Judge of the above-entitled Court

Judge McKenna

APPROVED AS TO FORM AND CONTENT AND AGREED:

Attorney for Plaintiff

American States College Inc.

Defendant

By: Roderick Gary Its: Vice-President

Civil No. 04-1-0222-02 SSM; State of Hawaii vs. American States College Inc.; STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST DEFENDANT AMERICAN STATES COLLEGE INC.